



State of Utah

Department of  
Natural Resources

ROBERT L. MORGAN  
*Executive Director*

Division of  
Oil, Gas & Mining

LOWELL P. BRAXTON  
*Division Director*

OLENE S. WALKER  
*Governor*

GAYLE F. McKEACHNIE  
*Lieutenant Governor*

March 31, 2004

CERTIFIED RETURN RECEIPT  
7099 3400 0016 8896 1898

Robert P. Jornayvaz III, Manager  
Intrepid Wendover Potash LLC  
700 17<sup>th</sup> Street, Suite 1700  
Denver, Colorado 80202

Subject: Transfer of Notice of Intention, Large Mining Operations, Reilly Industries Inc, Bonneville Plant/Reilly Wendover, M/045/002, Tooele County, Utah

Dear Mr. Jornayvaz:

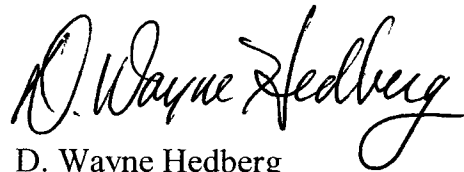
On March 29, 2004, we received the completed Transfer of Notice of Intention of Large Mining Operations to transfer the Reilly Wendover/Bonneville Plant large mining solar evaporative project which is located on extensive lands under private, federal and state ownership, within Tooele County, Utah from Reilly Industries Incorporated to Intrepid Wendover Potash LLC.

The Division Director signed and executed the transfer document on March 31, 2004 ***which effectively transfers the responsibility of this mining operation and reclamation to Intrepid Wendover Potash LLC.*** A copy of the executed transfer form is enclosed for your files. Your company is now the official party responsible for all mining and reclamation obligations for this project. We will provide the BLM & SITLA with courtesy copies of the executed transfer form and this letter for their records.

Robert Jornayvaz III  
Page 2 of 2  
M/045/002  
March 31, 2004

By copy of this letter the Division hereby officially releases Reilly Industries Incorporated from any further reclamation responsibilities at this site. Thank you for your help in finalizing this transaction. If you have any questions or concerns regarding this letter, please contact me at (801) 538-5286. Best of luck with your new mining venture.

Sincerely,

A handwritten signature in black ink, reading "D. Wayne Hedberg". The signature is fluid and cursive, with the first name "D." and last name "Hedberg" clearly legible.

D. Wayne Hedberg  
Permit Supervisor  
Minerals Regulatory Program

DWH:jb

Enclosure: Executed Transfer form, Reclamation Contact & Surety bond

cc: Greg Foy, Reilly Industries, Inc.  
Blaine Rawson, Holmes Roberts & Owen  
John Kirkham, Stoel Rives LLP  
Stan Perkes, BLM State Office - w/encl  
Will Stokes, SITLA - w/encl

O:\M045-Tooele\M0450002 - bonneville plant-reilly\final\transfer-approve.doc

FORM MR-RC  
Revised January 30, 2003  
RECLAMATION CONTRACT

File Number M/045/002  
Effective Date March 31, 2004  
Other Agency File Number \_\_\_\_\_

RECEIVED

MAR 26 2004

DIV. OF OIL, GAS & MINING

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION of OIL, GAS and MINING  
1594 West North Temple Suite 1210  
Box 145801  
Salt Lake City, Utah 84114-5801  
(801) 538-5291  
Fax: (801) 359-3940

RECLAMATION CONTRACT

---ooOoo---

For the purpose of this RECLAMATION CONTRACT the terms below are defined as follows:

"NOTICE OF INTENTION" (NOI): (File No.)	<u>M/045/002</u>
(Mineral Mined)	<u>Potash - Salt</u>
"MINE LOCATION":	
(Name of Mine)	<u>Bonneville Plant - Reilly Wendover</u>
(Description)	<u>Located approximately three (3) miles east of Wendover, Utah on old U.S. 40</u>
"DISTURBED AREA":	
(Disturbed Acres)	<u>87,821</u>
(Legal Description)	<u>(refer to Attachment "A")</u>
"OPERATOR":	
(Company or Name)	<u>Intrepid Wendover Potash LLC</u>
(Address)	<u>700 17th Street, Suite 1700</u>
	<u>Denver, Colorado 80202</u>
(Phone)	<u>303/296-3006</u>

**"OPERATOR'S REGISTERED AGENT":**

Name)

(Address)

(Phone)

Hugh E. Harvey Jr.

700 17th Street, Suite 1700

Denver, Colorado 80202

Telephone: 303/296-3006

**"OPERATOR'S OFFICER(S)":**

Robert Jornayvaz, Manager

Hugh Harvey, Manager

**SURETY":**

(Form of Surety - Attachment B)

Certificate of Deposit

**"SURETY COMPANY":**

(Name, Policy or Acct. No.)

U.S. Bank - Account No.: 1

**"SURETY AMOUNT":**

(Escalated Dollars)

\$49,100

**"ESCALATION YEAR":**

1998

**"STATE":**

State of Utah

**"DIVISION":**

Division of Oil, Gas and Mining

**"BOARD":**

Board of Oil, Gas and Mining

**ATTACHMENTS:**

A "DISTURBED AREA":

B "SURETY":

This Reclamation Contract (hereinafter referred to as "Contract") is entered into between Intrepid Wendover Potash LLC the "Operator" and the Utah State Division of Oil, Gas and Mining ("Division").

WHEREAS, Operator desires to conduct mining operations under Notice of Intention (NOI) File No. M/045/002 which has been approved by the Utah State Division of Oil, Gas and Mining under the Utah Mined Land Reclamation Act, Sections 40-8-1 et seq., Utah Code Annotated, (1953, as amended) (hereinafter referred to as "Act") and implementing rules; and

WHEREAS, Operator is obligated to reclaim that area described as the Disturbed Area as set forth and in accordance with Operator's approved Reclamation Plan, and Operator is obligated to provide surety in form and amount approved by the Division, to assure reclamation of the Disturbed Area.

NOW, THEREFORE, the Division and the Operator agree as follows:

1. Operator agrees to conduct reclamation of the Disturbed Area in accordance with the Act and implementing regulations, the approved Notice of Intention and Reclamation Plan received February 6, 1976. The Notice of Intention and the Reclamation Plan, as amended, are incorporated by this reference and made a part hereof.
2. Concurrent with the execution hereof, Operator has provided surety to assure that reclamation is conducted, in form and amount acceptable to the Division. Such surety as evidenced by the Surety Contract is in the form of the surety attached hereto as Attachment B and made a part hereof. The Surety Contract shall remain in full force and effect according to its terms unless modified by the Division in writing. If the Surety Contract expressly provides for cancellation, then, within 60 days following the Division's receipt of notice that the Surety Company intends to cancel the Surety Contract, the Operator shall provide a replacement Surety Contract in a form and amount reasonably acceptable to the Division. If the Operator fails to provide an acceptable replacement Surety Contract, the Division may order the Operator to cease further mining activities and to begin immediate reclamation of the Disturbed Area.
3. Operator agrees to pay legally determined public liability and property damage claims resulting from mining to the extent provided in Section 40-8-7(1)(e) of the Act.
4. Operator agrees to perform all duties and fulfill all reclamation requirements applicable to the mine as required by the Act and implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended.
5. The Operator's liability under this Contract shall continue in full force and effect until the Division certifies that the Operator has reclaimed the Disturbed Area in accordance with the Act and implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended.
6. If reclamation of discrete sections of the Disturbed Area is completed to the satisfaction of the Division, and the Division finds that such sections are severable from the remainder of the Disturbed Area, Operator may request the Division to certify that Operator has reclaimed such discrete sections of the Disturbed Area in accordance with the Act and Implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended. If the Division makes such certification, Operator may make request to the Division that the aggregate face amount of the Surety Contract provided pursuant to paragraph 2 be reduced to an amount necessary to provide for completion of the remaining reclamation. The Division shall hear Operator's request for such reduction in accordance with the Board's Procedural Rules concerning requests for Agency Action.

7. Operator agrees to indemnify and hold harmless the State, Board and the Division from any claim, demand, liability, cost, charge, suit, or obligation of whatsoever nature arising from the failure of Operator or Operator's agents and employees, or contractors to comply with this Contract.
8. Operator may, at any time, submit a request to the Division to substitute surety. The Division may approve such substitution if the substitute surety meets the requirements of the Act and the implementing rules.
9. This Contract shall be governed and construed in accordance with the laws of the State of Utah.
10. If Operator shall default in the performance of its obligations hereunder, Operator agrees to pay all costs and expenses, including reasonable attorney's fees and costs incurred by the Division and/or the Board in the enforcement of this Contract.
11. Any breach that the Division finds to be material of the provisions of this Contract by Operator may, at the discretion of the Division, result in an order to cease mining operations. After opportunity for notice and hearing, the Board of Oil, Gas and Mining may enter an order to revoke the Notice of Intention, order reclamation, or order forfeiture of the Surety Contract, or take such other action as is authorized by law.
12. In the event of forfeiture of the Surety Contract, Operator shall be liable for any additional costs in excess of the surety amount which are required to comply with this Contract. Any excess monies resulting from forfeiture of the Surety Contract, upon completion of reclamation and compliance with this Contract, shall be returned to the rightful claimant.
13. This Contract including the Notice of Intention, as amended and the Reclamation Plan, as amended, represents the entire agreement of the parties involved, and any modification must be approved in writing by the parties involved.
14. Each signatory below represents that he/she is authorized to execute this Contract on behalf of the named party.

OPERATOR:

Intrepid Wendover Potash LLC  
Operator Name

By Robert F. JORNAYVAZ III  
Authorized Officer (Typed or Printed)

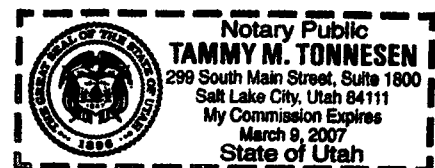
MANAGER  
Authorized Officer - Position

Robert F. J. - Date 3/24/04  
Officer's Signature

STATE OF Utah )  
COUNTY OF Salt Lake ) ss:

On the 24 day of March, 2004, Robert Jornayvaz  
personally appeared before me, who being by me duly sworn did say that he/she is the  
manager of Intrepid Wendover Potash LLC and duly  
acknowledged that said instrument was signed on behalf of said company by authority  
of its bylaws or a resolution of its board of directors and said  
\_\_\_\_\_ duly acknowledged to me that said  
company executed the same.

Tammy M. Tonnesen  
Notary Public  
Residing at \_\_\_\_\_



March 9, 2007  
My Commission Expires:

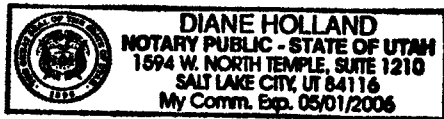
DIVISION OF OIL, GAS AND MINING:

By Lowell P. Braxton  
Lowell P. Braxton, Director

Date 3/31/04

STATE OF Utah )  
COUNTY OF Salt Lake ) ss:

On the 31 day of March, 20 04 Lowell P. Braxton  
personally appeared before me, who being duly sworn did say that he, the said  
Lowell P. Braxton is the Director of the Division of Oil, Gas and Mining,  
Department of Natural Resources, State of Utah, and he duly acknowledged to me that  
he executed the foregoing document by authority of law on behalf of the State of Utah.



Diane Holland  
Notary Public  
Residing at: Salt Lake City, Utah

5/1/2006  
My Commission Expires:



**ATTACHMENT "A"**

Intrepid Wendover Potash LLC  
Operator

Bonneville Plant - Reilly Wendover  
Mine Name

M/045/002  
Permit Number

Tooele County, Utah

**LEGAL DESCRIPTION**

*Include 1/4, 1/4, 1/4 sections, townships, ranges and any other descriptions that will legally determine where disturbed lands are located. Attach a topographic map of suitable scale (max. 1 inch = 500 feet; 1 inch = 200 feet or larger scale is preferred) showing township, range and sections and a clear outline of the disturbed area boundaries tied to this Reclamation Contract and surety.*

**The detailed legal description of lands to be disturbed includes portions of the following lands not to exceed 87.821 acres under the approved permit and surety, as reflected on the attached map labeled Wendover Plant map and dated 04/14/00 (Rev. 0):**

**RECEIVED**

**MAR 26 2004**

**DIV. OF OIL, GAS & MINING**

Exhibit A

LEGAL DESCRIPTION OF PERMITTED LANDS

I. Fee Lands Owned By Operator

Township 1 South, Range 17 West, S.L.M.

Section 7: Lots 4, 5  
Section 18: Lots 1-4,  $W\frac{1}{2}E\frac{1}{2}NW\frac{1}{2}$ ,  $E\frac{1}{2}SW\frac{1}{2}$   
Section 19: Lots 1-4,  $NE\frac{1}{2}NW\frac{1}{2}$ ,  $W\frac{1}{2}SE\frac{1}{2}NW\frac{1}{2}$ ,  
 $W\frac{1}{2}NE\frac{1}{2}SW\frac{1}{2}$   
Section 30: Lots 1, 5, 6

Township 1 North, Range 18 West, S.L.M.

Section 36:  $W\frac{1}{2}SW\frac{1}{2}SE\frac{1}{2}$ ,  $SE\frac{1}{2}SW\frac{1}{2}$ ,  $E\frac{1}{2}SW\frac{1}{2}SW\frac{1}{2}$

Township 1 South, Range 18 West, S.L.M.

Section 1: Lots 3, 4,  $S\frac{1}{2}NW\frac{1}{2}$ ,  $SW\frac{1}{2}$ ,  $W\frac{1}{2}SW\frac{1}{2}NE\frac{1}{2}$ ,  
 $W\frac{1}{2}SE\frac{1}{2}$ ,  $W\frac{1}{2}SE\frac{1}{2}SE\frac{1}{2}$   
Section 2: All  
Section 3:  $E\frac{1}{2}SE\frac{1}{2}NE\frac{1}{2}$ ,  $SE\frac{1}{2}SW\frac{1}{2}$ ,  $E\frac{1}{2}SE\frac{1}{2}$ ,  $E\frac{1}{2}NW\frac{1}{2}SE\frac{1}{2}$ ,  
 $SW\frac{1}{2}SE\frac{1}{2}$   
Section 9:  $SE\frac{1}{2}NE\frac{1}{2}$ ,  $E\frac{1}{2}SW\frac{1}{2}NE\frac{1}{2}$ ,  $E\frac{1}{2}NE\frac{1}{2}SW\frac{1}{2}$ ,  
 $E\frac{1}{2}SW\frac{1}{2}SW\frac{1}{2}$ ,  $SE\frac{1}{2}SW\frac{1}{2}$ ,  $SE\frac{1}{2}$   
Section 10: All  
Section 11: All

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Township 1 South, Range 18 West, S.L.M. (cont.)

Section 12:	All
Section 13:	All
Section 14:	All
Section 15:	All
Section 16:	All
Section 17:	All
Section 18:	All
Section 19:	All
Section 20:	All
Section 21:	All
Section 22:	All
Section 23:	All
Section 24:	All
Section 25:	All
Section 26:	All
Section 27:	All
Section 28:	All
Section 29:	All
Section 30:	All
Section 31:	All
Section 32:	All
Section 33:	All
Section 34:	All
Section 35:	All
Section 36:	NE $\frac{1}{4}$ NE $\frac{1}{4}$ , W $\frac{1}{2}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$ , W $\frac{1}{2}$ NE $\frac{1}{4}$ , W $\frac{1}{2}$ , W $\frac{1}{2}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$

Township 1 South, Range 19 West, S.L.M.

Section 4:	SE $\frac{1}{4}$ SW $\frac{1}{4}$
Section 9:	NE $\frac{1}{4}$ NW $\frac{1}{4}$
Section 13:	All
Section 14:	S $\frac{1}{2}$
Section 15:	S $\frac{1}{2}$
Section 21:	All
Section 22:	All
Section 23:	All
Section 24:	All
Section 25:	All
Section 26:	All
Section 27:	All
Section 28:	All
Section 33:	All
Section 34:	All
Section 35:	All
Section 36:	All

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Township 2 South, Range 18 West, S.L.M.

Section 1:	Lots 3, 4, SW $\frac{1}{4}$ NW $\frac{1}{4}$ , W $\frac{1}{2}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$
Section 2:	All
Section 3:	All
Section 4:	All
Section 5:	All
Section 6:	All
Section 7:	All
Section 8:	All
Section 9:	All
Section 10:	All
Section 11:	W $\frac{1}{2}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$ , NW $\frac{1}{4}$ NE $\frac{1}{4}$ , W $\frac{1}{2}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$ , NW $\frac{1}{4}$ , W $\frac{1}{2}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$ , NW $\frac{1}{4}$ SW $\frac{1}{4}$ , W $\frac{1}{2}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$
Section 15:	W $\frac{1}{2}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$ , NW $\frac{1}{4}$ NE $\frac{1}{4}$ , W $\frac{1}{2}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$ , NW $\frac{1}{4}$
Section 16:	N $\frac{1}{2}$
Section 17:	NE $\frac{1}{4}$
Section 17:	SE $\frac{1}{4}$ , W $\frac{1}{2}$
Section 18:	All
Section 19:	All
Section 20:	All
Section 29:	All
Section 30:	All
Section 31:	All

Township 2 South, Range 19 West, S.L.M.

Section 1:	All
Section 2:	All
Section 3:	All
Section 4:	All
Section 5:	Lot 1, SE $\frac{1}{4}$ NE $\frac{1}{4}$ , NE $\frac{1}{4}$ SE $\frac{1}{4}$ , S $\frac{1}{2}$ SE $\frac{1}{4}$
Section 8:	E $\frac{1}{2}$
Section 9:	All
Section 10:	All
Section 11:	All
Section 12:	All
Section 13:	All
Section 14:	All
Section 15:	All
Section 17:	E $\frac{1}{2}$
Section 20:	E $\frac{1}{2}$
Section 21:	All
Section 22:	All
Section 23:	All
Section 24:	All

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Township 2 South, Range 19, West, S.L.M. (cont.)

Section 25:	All
Section 26:	All
Section 27:	All
Section 28:	All
Section 29:	All
Section 30:	$E\frac{1}{2}E\frac{1}{2}$
Section 31:	$E\frac{1}{2}E\frac{1}{2}$
Section 33:	All
Section 34:	All
Section 35:	All

Township 3 South, Range 18 West, S.L.M.

Section 5:	Lots 1-4, $S\frac{1}{2}N\frac{1}{2}$
Section 6:	Lots 1-4, $S\frac{1}{2}N\frac{1}{2}$

Township 3 South, Range 19 West, S.L.M.

Section 1:	Lots 1-4, $S\frac{1}{2}N\frac{1}{2}$
Section 3:	Lots 1-4, $S\frac{1}{2}N\frac{1}{2}$
Section 4:	Lots 1-4, $S\frac{1}{2}N\frac{1}{2}$
Section 5:	Lots 1-4, $S\frac{1}{2}N\frac{1}{2}$
Section 6:	Lot 1, $SE\frac{1}{4}NE\frac{1}{4}$

II. Federal Lands Under Potash Lease To Operator

Township 1 North, Range 16 West, S.L.M., Utah

Section 6:	Lots 5-7; $SE\frac{1}{4}NW\frac{1}{4}$ ; $E\frac{1}{2}SW\frac{1}{4}$
Section 7:	Lots 1-4; $E\frac{1}{2}W\frac{1}{2}$
Section 18:	Lots 1-4; $E\frac{1}{2}SW\frac{1}{4}$ ; $E\frac{1}{2}NW\frac{1}{4}$
Section 19:	Lots 1-4; $E\frac{1}{2}NW\frac{1}{4}$ ; $E\frac{1}{2}SW\frac{1}{4}$
Section 30:	Lots 1-4; $E\frac{1}{2}W\frac{1}{2}$

Township 1 South, Range 17 West, S.L.M., Utah

Section 3:	Lots 1-4; $SW\frac{1}{4}NW\frac{1}{4}$ ; $S\frac{1}{2}NE\frac{1}{4}$ ; $SE\frac{1}{4}NW\frac{1}{4}$ ; $S\frac{1}{2}$ ; (All)
Section 4:	$SE\frac{1}{4}$
Section 7:	Lots 1-2; $E\frac{1}{2}NW\frac{1}{4}$ ; $E\frac{1}{2}SW\frac{1}{4}$ ; $E\frac{1}{2}NW\frac{1}{4}SW\frac{1}{4}$ ; $S\frac{1}{2}NE\frac{1}{4}$ ; $SE\frac{1}{4}$
Section 8:	$E\frac{1}{2}SE\frac{1}{4}$ ; $E\frac{1}{2}NE\frac{1}{4}$ ; $SW\frac{1}{4}NE\frac{1}{4}$ ; $S\frac{1}{2}NW\frac{1}{4}$ ; $SW\frac{1}{4}$ ; $W\frac{1}{2}SE\frac{1}{4}$

Section 9:	All
Section 10:	All
Section 11:	$W\frac{1}{2}$
Section 15:	$W\frac{1}{2}$
Section 17:	All
Section 18:	$E\frac{1}{2}$ ; $E\frac{1}{2}E\frac{1}{2}NW\frac{1}{4}$
Section 19:	$E\frac{1}{2}$ , $E\frac{1}{2}SE\frac{1}{4}NW\frac{1}{4}$ ; $E\frac{1}{2}NE\frac{1}{4}SW\frac{1}{4}$ ; $SE\frac{1}{4}SW\frac{1}{4}$
Section 20:	$NW\frac{1}{4}$ ; $SW\frac{1}{4}$ ; $E\frac{1}{2}$ ; (All)
Section 21:	$W\frac{1}{2}$ ; $W\frac{1}{2}E\frac{1}{2}$
Section 28:	$W\frac{1}{2}E\frac{1}{2}$ ; $W\frac{1}{2}$
Section 29:	All
Section 30:	Lot 4; $E\frac{1}{2}$ ; $E\frac{1}{2}W\frac{1}{2}$ ; $E\frac{1}{2}SW\frac{1}{4}NW\frac{1}{4}$ ; $E\frac{1}{2}NW\frac{1}{4}SW\frac{1}{4}$
Section 31:	Lots 1-4; $E\frac{1}{2}W\frac{1}{2}$ ; $E\frac{1}{2}$ ; (All)
Section 33:	$W\frac{1}{2}$ ; $W\frac{1}{2}E\frac{1}{2}$

Township 1 North, Range 17 West, S.L.M., Utah

Section 1:	$SE\frac{1}{4}$ ; $SE\frac{1}{4}NE\frac{1}{4}$
Section 11:	$SE\frac{1}{4}$
Section 12:	All
Section 13:	All
Section 14:	$N\frac{1}{2}$ ; $NW\frac{1}{4}SW\frac{1}{4}$ ; $SE\frac{1}{4}$ ; $SW\frac{1}{4}SW\frac{1}{4}$ ; $E\frac{1}{2}SW\frac{1}{4}$ ; (All)
Section 15:	$SE\frac{1}{4}$
Section 22:	$E\frac{1}{2}$
Section 23:	All
Section 24:	All
Section 25:	All
Section 26:	All
Section 27:	$E\frac{1}{2}E\frac{1}{2}$
Section 34:	$E\frac{1}{2}SE\frac{1}{4}$ ; $E\frac{1}{2}NE\frac{1}{4}$
Section 35:	All

Township 2 South, Range 17 West, S.L.M., Utah

Section 4:	Lots 2-4; $SW\frac{1}{4}NE\frac{1}{4}$ ; $S\frac{1}{2}NW\frac{1}{2}$ ; $SW\frac{1}{4}$ ; $W\frac{1}{2}SE\frac{1}{4}$
Section 5:	All
Section 6:	Lots 1-7; $E\frac{1}{2}SW\frac{1}{4}$ ; $SE\frac{1}{4}$ ; $SE\frac{1}{4}NW\frac{1}{4}$ ; $S\frac{1}{2}NE\frac{1}{4}$ ; (All)
Section 7:	Lots 1-4; $E\frac{1}{2}W\frac{1}{2}$ ; $E\frac{1}{2}$ ; (All)
Section 8:	All
Section 9:	$W\frac{1}{2}$ ; $W\frac{1}{2}E\frac{1}{2}$
Section 17:	All
Section 18:	Lots 1-4; $E\frac{1}{2}$ ; $E\frac{1}{2}W\frac{1}{2}$ ; (All)

Township 2 South, Range 18 West, S.L.M., Utah

Section 1: Lots 1-2;  $S\frac{1}{2}NE\frac{1}{4}$ ;  $SE\frac{1}{4}NW\frac{1}{4}$ ;  $E\frac{1}{2}NW\frac{1}{4}SW\frac{1}{4}$ ;  
 $NE\frac{1}{4}SW\frac{1}{4}$ ;  $S\frac{1}{2}SW\frac{1}{4}$ ,  $SE\frac{1}{4}$   
Section 11:  $E\frac{1}{2}NE\frac{1}{4}NE\frac{1}{4}$ ;  $E\frac{1}{2}SW\frac{1}{4}NE\frac{1}{4}$ ;  $E\frac{1}{2}NE\frac{1}{4}SW\frac{1}{4}$ ;  
 $SE\frac{1}{4}NE\frac{1}{4}$ ;  $E\frac{1}{2}SW\frac{1}{4}SW\frac{1}{4}$ ;  $SE\frac{1}{4}SW\frac{1}{4}$ ;  $SE\frac{1}{4}$   
Section 12: All  
Section 13: All  
Section 14: All  
Section 15:  $E\frac{1}{2}NE\frac{1}{4}NE\frac{1}{4}$ ;  $E\frac{1}{2}SW\frac{1}{4}NE\frac{1}{4}$ ;  $SE\frac{1}{4}NE\frac{1}{4}$ ;  $S\frac{1}{2}$

III. Utah State Lands Under Lease to Operator Pursuant to  
Utah State Surface Use Lease Agreement No. 130

Township 1 South, Range 17 West, S.L.M.

Section 7:  $SE\frac{1}{4}$ ,  $SE\frac{1}{4}SW\frac{1}{4}$ ,  $NE\frac{1}{4}SW\frac{1}{4}$ ,  $E\frac{1}{2}NW\frac{1}{4}SW\frac{1}{4}$   
Section 8:  $S\frac{1}{2}$   
Section 9:  $S\frac{1}{2}$   
Section 10:  $SW\frac{1}{4}$   
Section 15:  $NW\frac{1}{4}$  and that portion of the  $SW\frac{1}{4}$   
lying north of the north  
nonaccess line of the new  
interstate highway I-80  
Section 17:  $N\frac{1}{2}$  and that portion of the  $S\frac{1}{2}$   
lying north of the north  
nonaccess line of the new  
interstate highway I-80  
Section 18:  $NE\frac{1}{4}$ ,  $E\frac{1}{2}E\frac{1}{2}NW\frac{1}{4}$  and that portion  
of the  $SE\frac{1}{4}$  lying north of the  
north nonaccess line of the new  
interstate highway I-80

Township 1 South, Range 18 West, S.L.M.

Section 7: (All) Lots 1, 2, 3, 4,  $E\frac{1}{2}W\frac{1}{2}$ ,  $E\frac{1}{2}$

Township 1 South, Range 19 West, S.L.M.

Section 12: All

IV. Utah State Lands Under Potash Lease To Operator

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Township 1 North, Range 17 West, S.L.M., Utah

Section 32: All  
Section 36:  $W\frac{1}{2}$

Township 1 South, Range 17 West, S.L.M., Utah

Section 2: ( $W\frac{1}{2}$ ) Lots 3, 4,  $S\frac{1}{2}NW\frac{1}{4}$ ,  $SW\frac{1}{4}$   
Section 16: All  
Section 32: All

Township 1 South, Range 18 West, S.L.M., Utah

Section 36:  $S\frac{1}{2}SE\frac{1}{4}$ ,  $NE\frac{1}{4}SE\frac{1}{4}$ ,  
 $E\frac{1}{2}NW\frac{1}{4}SE\frac{1}{4}$ ,  $E\frac{1}{2}SE\frac{1}{4}NE\frac{1}{4}$

Township 2 South, Range 17 West, S.L.M., Utah

Section 16:  $W\frac{1}{2}$

Township 2 South, Range 18 West, S.L.M., Utah

Section 16:  $S\frac{1}{2}$   
Section 32: All

Township 2 South, Range 19 West, S.L.M., Utah

Section 16: All  
Section 32: All  
Section 36: All

Township 3 South, Range 19 West, S.L.M., Utah

Section 2: ( $W\frac{1}{2}$ ) Lots 1, 2, 3, 4,  $S\frac{1}{2}N\frac{1}{2}$





OLENE S. WALKER  
Governor  
GAYLE F. McKEACHNIE  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

### Division of Oil, Gas & Mining

ROBERT L. MORGAN  
Executive Director

LOWELL P. BRAXTON  
Division Director

March 25, 2004

U S Bank  
918 17<sup>th</sup> Street  
Denver, Colorado 80202  
(303) 585-9208

Attention: Mark Thompson, Vice President, Relationship Manager

Re: Reclamation Surety, Certificate of Deposit for Intrepid Wendover Potash, LLC  
Bonneville Plant – Reilly Wendover Mine Site, M/045/002, Tooele County, Utah  
Certificate of Deposit no. \_\_\_\_\_ Principal Amount \$49,100

This letter describes the mutually agreed upon instructions of the below signed parties to U S Bank (“Bank”), regarding the control, redemption, and release of Bank’s above-described certificate of deposit (“CD”), which is being used as a surety to guarantee the availability of reclamation funds for the Bonneville Plant – Reilly Wendover mine site (“Mine Site”), Tooele County, Utah. It is the intention of the parties that the CD be utilized as surety to guarantee that \$49,100 in reclamation funds will be available to the State of Utah, Division of Oil, Gas & Mining (“Division”) upon demand in the event that the operator(s) of the Mine Site are unable or unwilling to complete reclamation of the mine site in compliance with applicable state law and regulations.

#### **Ownership and Renewal:**

Ownership of the CD is retained by Intrepid Wendover Potash, LLC a limited liability corporation, (“Owner”), but it is held by Bank for the benefit of the State of Utah, Division of Oil, Gas & Mining, the U S Department of Interior, Bureau of Land Management (“USDOI – BLM”) and the School and Institutional Trust Lands Administration (“SITLA”), and is subject to the terms and conditions described in this agreement. The CD shall automatically renew indefinitely until either redeemed or released by the Director of the Division, and the authorized officers of USDOI – BLM and SITLA.

**Redemption:**

The CD may only be redeemed (i.e., called on demand), pursuant to the written instruction or demand of the Director of the Utah Division of Oil, Gas & Mining, and the authorized officers of USDOl - BLM and SITLA to the Bank. Upon the instruction and demand of the Director of the Division and authorized officers of USDOl – BLM and SITLA, the full initial amount of the CD shall be transferred to the State of Utah, Division of Oil, Gas and Mining. Owner agrees and irrevocably instructs Bank that neither the Owner, nor any other person claiming an ownership interest in the CD which is derived from the Owner, shall have the authority to prevent the Bank from carrying out the Director's instruction to redeem the CD. Upon redemption, any accrued interest in excess of the initial amount of the CD shall be transferred to Owner's control, or if Owner does not instruct the Bank, the accrued interest shall be reinvested in the CD. If a signature card is prepared, it shall be drafted consistent with the requirement that only the Director of the Division and the authorized officers of USDOl - BLM and SITLA may redeem the CD.

**Release:**

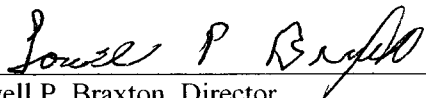
The bank shall release the CD only upon the written instruction of the Director of the Division, and the authorized officers of USDOl - BLM and SITLA to the Bank. Upon release, the terms and conditions of this agreement are no longer in effect, and the unconditioned control of the CD shall be returned to the Owner, or their legal successors-in-interest.

**Accrued Interest:**

Prior to release or redemption, all interest which accrues by the CD shall be 1) dispersed quarterly to the Owner as the Owner may instruct the Bank, or 2) shall be reinvested in the CD until such time as the Owner may instruct the Bank where to transfer such interest. In no event shall the Bank transfer any amount from the CD which would cause the redemption amount of the CD to be less than the initial amount, \$49,100. All tax liabilities for accrued interest shall remain the sole responsibility of the Owner.

**Bank will not be held liable for any dispute between the parties.**

Agreed Upon By:

  
\_\_\_\_\_  
Lowell P. Braxton, Director  
Utah Division of Oil, Gas & Mining

Date: 2/3/09

\_\_\_\_\_  
Robert Jornayvaz, Manager  
**Intrepid Wendover Potash, LLC**  
Tax ID Number: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_  
Mark Thompson, VP Relationship Manager  
**U S Bank**

Date: \_\_\_\_\_

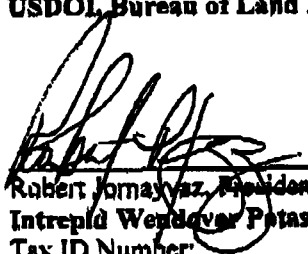
Agreed Upon By:

\_\_\_\_\_  
Lowell P. Braxton, Director  
Utah Division of Oil, Gas & Mining

Date: \_\_\_\_\_

\_\_\_\_\_  
Robert Lopez, Branch Chief of Minerals Adjudication  
USDOL, Bureau of Land Management

Date: \_\_\_\_\_

  
\_\_\_\_\_  
Robert Jomayaz, President  
Intrepid Wendover Potash, LLC  
Tax ID Number: \_\_\_\_\_

Date: 3/26/04

\_\_\_\_\_  
Mark Thompson, SVP Relationship Manager  
U S Bank

Date: \_\_\_\_\_

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Agreed Upon By:

\_\_\_\_\_  
Lowell P. Braxton, Director  
Utah Division of Oil, Gas & Mining


Date: \_\_\_\_\_

\_\_\_\_\_  
Robert Lopez, Branch Chief of Minerals Adjudication  
USDOI, Bureau of Land Management

Date: \_\_\_\_\_

\_\_\_\_\_  
Robert Jorayvaz, President  
Intrepid Wendover Potash, LLC  
Tax ID Number: \_\_\_\_\_

Date: \_\_\_\_\_

  
\_\_\_\_\_  
Mark Thompson, ~~SE~~ Relationship Manager  
U S Bank      Mark E. Thompson  
Vice President

Date: 3/26/04

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CERTIFICATE OF DEPOSIT  
AGREEMENT & RECEIPT

m/045/002

ATTACHMENT "B"

This receipt is issued to:

INTREPID WENDOVER POTASH LLC  
FBO ST OF UTAH, DIVISION OF OIL & GAS  
& MINING & BLM & SITLA  
BONNEVILLE/RIELLY WENDOVER M/045/002  
700 17TH ST STE 1700  
DENVER CO 80202-3560

Account Number

RECEIVED

Branch/Bank: 215/288

MAR 26 2004

Branch Name: Downtown Champa

OIL &amp; GAS &amp; MINING

Customer TIN/SSN: 200818774

Date Opened: 03/24/2004

Interest Rate: .90%

Deposit Amount: \$49,100.00

Annual Percentage Yield: .90%

Total Balance: \$49,100.00

Your account will mature in: 12 months.

Your account will mature on:

Your certificate will

- ☒ automatically renew at maturity  
☐ not automatically renew upon maturity

Interest will be compounded

- ☒ daily  
☐ at maturity  
☐ annually  
☐ quarterly  
☐ semi-annually  
☐ monthly

Interest will be paid:

- ☒ at maturity  
☐ annually  
☐ quarterly  
☐ semi-annually  
☐ monthly

Interest will be

- ☐ added to the principal (capitalized)  
☒ transferred to U.S. Bank account no. [REDACTED]  
☐ mailed to (insert mailing name and address)

**usbank.**

Member FDIC

**CERTIFICATE OF DEPOSIT AGREEMENT**  
**Truth-in-Savings Disclosure**

- The interest rate and annual percentage yield for your account are indicated on the front of this document. You will be paid this rate until the maturity date of the certificate. The annual percentage yield assumes interest remains on deposit until maturity. A withdrawal will reduce earnings. The interest rate on your account may be adjusted upon renewal. Interest begins to accrue on the business day you deposit non-cash items (e.g., checks). We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the principal in the account each day.
- The minimum amount required to open a certificate of deposit is \$500.
- If this account will automatically renew upon maturity, you will have a grace period of ten (10) calendar days from the maturity date to withdraw funds without penalty. If the amount withdrawn is deposited into another time certificate at this bank within that ten (10) day period, interest will be paid during the ten (10) period at the rate applicable to the new certificate. The bank may upon not less than 30 days written notice elect to call this certificate for payment on a maturity date.
- This certificate is an agreement to keep funds on deposit with the bank until the current maturity date. Except as required by law, withdrawal prior to maturity will be permitted only with the consent of the bank which may only be given at the time of withdrawal.
- A penalty may be imposed if you withdraw any of the deposited funds before the maturity date. If your account has an original maturity of six months or less, the penalty will be the lesser of 1) three month's interest on the amount withdrawn; or 2) all interest that would have been earned on the amount withdrawn had the funds remained on deposit until maturity. If your account has an original maturity of more than six months, the penalty will be one half the interest that would have been earned on the amount withdrawn had the funds remained on deposit until maturity.
- You may not make deposits into your account until the maturity date. You may make partial withdrawals from your account prior to maturity; however, except as prohibited by law, we will impose the early withdrawal penalty on the amount withdrawn. The minimum withdrawal amount is \$500. If a withdrawal is made, your remaining balance must meet minimum opening balance requirements. Partial withdrawals are not allowed on accounts with balances \$100,000 and over.
- The deposit is not transferable. This certificate may not be paid to any person other than the named depositor(s). Any person requesting payment of this certificate will be required to establish to the satisfaction of the bank, that (s)he is the depositor.
- Any pledge on this account (to which U.S. Bank has agreed), must first be satisfied before the rights of any joint account survivor or trust account beneficiary become effective. For example, if one joint tenant pledges the account for payment of a debt and then dies, the surviving joint tenant's rights to this account are subject first to the payment of the debt.
- The following fee is applicable to all U.S. Bank accounts, including CDs and IRAs: \$20 per hour research fee.
- The following fees are applicable to all U.S. Bank IRAs: \$10 annual fee if the IRA plan balance is less than \$5,000 (\$1,000 for Education IRA plans) on May 1<sup>st</sup>. This fee will be assessed against the account within the IRA plan that earns the lowest annual interest rate on the assessment date. An external transfer fee of \$30 will be assessed per plan upon transferring IRA funds to another institution. A \$30 closing fee will be assessed when an IRA plan is closed.
- Please review the account terms and conditions brochure for further information that applies to Certificates of Deposit.



Member FDIC

CERTIFICATE OF DEPOSIT  
AGREEMENT & RECEIPT

m/045/002

ATTACHMENT "B"

This receipt is issued to:

INTREPID WENDOVER POTASH LLC  
FBO ST OF UTAH, DIVISION OF OIL & GAS  
& MINING & BLM & SITLA  
BONNEVILLE/RIELLY WENDOVER M/045/002  
700 17TH ST STE 1700  
DENVER CO 80202-3560

Account Number

RECEIVED

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MAR 26 2004

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☐ at maturity  
☐ annually  
☐ quarterly  
☐ semi-annually  
☐ monthly

Interest will be paid:

- ☒ at maturity  
☐ annually  
☐ quarterly  
☐ semi-annually  
☐ monthly

Interest will be

- ☐ added to the principal (capitalized)  
☒ transferred to U.S. Bank account no.  
☐ mailed to (insert mailing name and address)



Member FDIC



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Member FDIC